Contract Letting and Award lowa DOT Process

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Presentation Overview

- Contract Documents
- Contract Time
- The Letting Schedule
- Addendums
- Contract Award Process





Contract Documents

- Use standard documents to reduce contractor risk & contract costs
 - ☐ Standard Plan format and tabulations
 - □ Standard Bid Items
 - Don't make standard bid items incidental
 - ☐ Standard Specifications
 - □ Readily available materials
 - Proprietary materials require proper documentation
 - □ Open contract periods

Contract Time



Contract Time

- Offer bidders scheduling flexibility
- Defined duration
- Late Start Date
 - Window of time to start
 - □ Contractor may start earlier
- Approximate Start Date
- Liquidated Damages

The Letting Schedule



Remember Tuesdays

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
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1st Tuesday Two Months Before Letting -Contracts Plan Turn In-

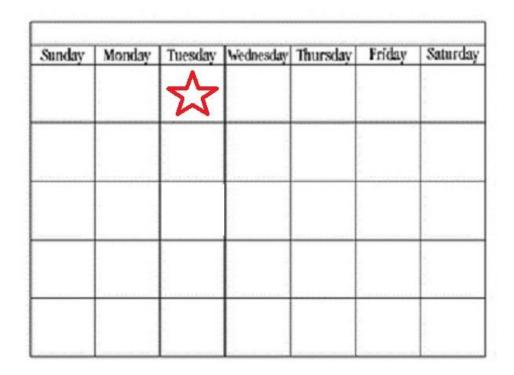
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1st Tuesday Two Months Before Letting -Contracts Plan Turn In-

- TPMS
- Complete and final plan
- DOT's web-based Bid Items Application
- Completed Project Development Certification
- Request any special letting considerations
- Special Provisions if needed
- Public Interest Findings (PIF) if needed

1st Tuesday One Month Before Letting -Finalize Letting Documents-



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1st Tuesday One Month Before Letting -Finalize Letting Documents-

- Contract Documents Package
 - Proposal
 - □SP's
 - □ Plans
- Engineers estimate
- Concurrent activities (fed aid):
 - □ Authorization requests
 - □ DBE goal setting



3rd Tuesday One Month Before Letting -Advertisement / Letting-

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
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3rd Tuesday One Month Before Letting -Advertisement / Letting-

- Contract Documents available to industry
- Changes must be by addendum
- Review proposals and plans at https://www.iowadot.gov/contracts/lettings.html
- All questions on Bidx Q&A: https://www.bidx.com/ia/main

1st Tuesday Letting Month -Letting Clearances-

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
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1st Tuesday – Letting Month

- Project should be clear for letting
 - □ ROW secured
 - Condemnations held
 - □ Agreements signed
 - □ Regulatory permits issued



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3rd Tuesday Letting Day/Advertisement

- Bidding Deadline 10:00 AM
- Bid Opening/Reading 10:30 AM
- Apparent (As Read) bids posted on https://www.bidx.com/ia/main

Addendums



Addendums

- Required to change contract documents after advertisement
- Designer/P.E. requests
- Risks
 - □ Loss of bidders
 - □ Withdrawal delayed letting
- pdf available on https://www.bidx.com/ia/main

Contract Award Process



Contract Award Process

- DOT determines lowest responsive bid
- DOT prepares contract and sends to LPA
 - □ READ and FOLLOW the instruction letter
 - Includes Tabulation of Bids (destroy if rejected)
- LPA can award this bid or reject all bids
 - Within 30 days of letting



Cautions

- Don't negotiate with contractor prior to DOT award concurrence
- Don't modify bid before execution of the contract
- Don't reject a reasonable bid in hopes of getting a better bid
- Don't award the contract and then delete substantial portions of the contract to get within budget



Contract Award - Low Bid

- Responsible bidders
 - □ Determined before deadline
 - Avoid rejecting a bidder post letting for not being qualified
- Determination of Lowest Responsive Bid
 - □ Time (A+B)
 - Best Value (A-D)
 - □ Added Options



A + B Bidding

- Cost (A) + Time (B)
- User costs
 - □ Out of distance
 - □ Delay
 - □ Daily rate
- Contractors bids:

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Construction Costs = A

<u>User costs (days bid x rate) = + B</u>

Total cost to determine low bid
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Contract sum = A



A + B Bidding

- Incentive/Disincentive
- Article 1112 of the Standard Specifications



Best Value A-D Bidding

- Considers value of alternatives
- Base Alternative
- Better Value Alternative
- Alternative Differential (D)
- DS 15004



Added Options Bidding

- Procure most options for available funds
- Base items
- Added options (1, 2, 3, etc.)
- Contract Award Limit
- Award determination
 - Options considered in order
 - Most options & under award limit & low bid
- DS-15003



Objective Determination of Low Bidder

LPA may not pick and choose among bidders:

The addition of the alternative construction is to give the engineer prices on both of the proposed types of construction. The Engineer will then determine which type of construction method to use and evaluate the money available at time of signing the contract to determine the appropriate method of construction. The County Engineer and County Board of Supervisors shall determine which proposed types of construction shall be used at the time of the signing of the contract based on the separate bids provided by the contractor. A formal letter shall be submitted to the awarded contractor stating which alternative construction shall be used for this project.

Excerpt from an actual letter submitted by a local agency



- I.M. 3.730, Iowa DOT Letting Process
- Office of Contracts online:



- □ Letting Guidelines
- □ Bid Tabs
- □ Plans and Proposals
- Bidx Iowa DOT homepage:

http://www.bidx.com/ia/main

- □ Addenda
- □ Eligible Bidders
- □ As Read Bids





Resources

- Office of Contracts Contact Persons:
 Project Development Certificates
 - Danny Stokes515-239-1414

danny.stokes@iowadot.us





Resources

Office of Contracts Contact Persons:
 Plan content, contract periods, proposals



□ Districts 1, 2, and 3Krandel Jack515-239-1414

krandel.jack@iowadot.us

□ Districts 4, 5, and 6Stacy Ryan515-239-1414stacy.ryan@iowadot.us



Resources

Office of Contracts Contact Persons:

Letting Process – Award Procedures

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Questions?